

SHELL MARINE LUBE OIL SUPPLY CONTRACT

The Military Sealift Command requires lubricants, waste oil disposal services and related engineering support services for the command's lubricants, services, and support program. The requirements for supplies and services are divided into two major categories: Lubricant Supply and Used/Waste Oil Removal. In addition, limited training and support is required under the scope of this contract.

The current requirements contract awarded to Shell Marine, consist of a one-year base period with four one year option periods. A requirements contract provides for filling all actual purchase requirements of designated Government activities for supplies or services during a specified contract period. Deliveries or performance are be scheduled by placing orders with the Contractor via the MSC ordering office.

Lubricant Supply:

The lubricants in this contract will be used in high, medium, and low speed diesel engines, steam and gas turbines, reduction gears, air compressors and other shipboard auxiliary equipment. The Contractor shall provide a product that meets the Original Equipment Manufacturer (OEM) lube oil specifications. Several specialty lubricants or third party products are made available in this contract to satisfy specific OEM lube oil requirements.

The following products are available and can only be procured through this contract:

Diesel Engine Oils	Refrigerant Compressor Oils
Shell Gadinia 30	Shell Clavus R 22
Shell Rotella T/ Shell Rimula Super 10w30	Shell Clavus 68
Shell Melina S 30	Shell Clavus AB 68
Rotella T/Rimula X 15W-40	Shell Clavus R 68
Shell Gadinia 40	Air Compressor Oils
Shell Caprinus XR 40 / Caprinus HPD 40	Shell Corena AS 32
Shell Rimula Oil 40 / Sirius X 40	Shell Corena AS 46
Shell Argina T 40	Shell Corena AS 68
Shell Alexia LS	Shell Corena P 100
Shell Alexia 50	Shell Corena AP 100
Shell Rotella T Syn 5w40 / Rimula Ultra 5w40	Greases
Marine Turbine Oils	Exxon Mobil Mobiltemp 78
Shell Turbo T 46	Shell Aeroshell Grease 22
Shell Turbo T 68	Shell Alvania EP 0
Shell Turbo T 100	Shell Alvania EP 1
Shell Morlina 220	Shell Alvania EP 2
Shell Morlina 150	Shell Albida SD 2
2190 TEP MIL-L-17331	Shell Albida MPS 1
Gas Turbine Oil	Exxon Mobil Mobilith SHC-100
Shell Aeroshell 560	Shell Retinax LC 2
Shell Aeroshell Turbine Oil 2	Ashland Chemical Nevamelt
Reduction Gear Oils	Shell Rhodina EP 2
Shell Omala 68	Shell Malleus GL
Shell Omala 100	
Shell Omala 150	Specialty and Other Products
Shell Omala 220	BP Running- in Compound

Shell Omala 320	Shell Donax TG
Shell Omala 460	Mobil 1 Synthetic ATF
Shell Omala 680	Shell Donax TD
Shell Omala RL 68	Shell Naturelle HF-M 46
Shell Omala RL 100	Shell Spirax S 80w140 / Spirax S 75w90
Shell Omala RL 150	Mobilarma 798
Shell Omala RL 220	
Shell Omala RL 320	
Shell Omala RL 460	
Shell Omala RL 680	
Hydraulic Fluids	
Shell Tellus T 15	
Shell Tellus T 32	
Shell Tellus T 46	
Shell Tellus T 68	
Fryquel 220 MLT	
Strombus T	
Hydrox Bio 68	
Strombus MP	
Hydrox 8 EP	

Delivery Schedule:

The Contractor shall deliver products to all ports and zones listed below. The Contractor shall deliver products to all ports listed by name within three working days of receipt of an order, unless otherwise specified within the technical direction letter (TDL). The Contractor shall deliver products to all non-listed ports within Geographic Zones with ten working days of receipt of an order, unless otherwise specified within the technical direction letter (TDL). When the Government requires products to be delivered during weekends and holidays and in less than 3 working days in ports listed by name or in less than 10 working days when required in non-listed ports within Geographic Zones identified, the Contractor shall expedite delivery and will be reimbursed for cost of expedited delivery accordingly using the table below:

Expedited Delivery Named Ports (less than 3 working days)	\$0.10 per liter or kilogram
Expedited Delivery Non-Listed Ports (less than 10 working days)	Actual documented Expenses
Expedited Delivery (weekends and holidays)	\$0.10 per liter or kilogram

Note: Minimum quantity per order required is 100 gallons.

Delivery Methods:

The Contractor normally shall be required to deliver packaged and bulk lubricant by truck. For bulk deliveries, the Contractor shall ensure that delivery trucks are equipped with adequate hoses to reach a ship's filling station located 40 meters from the truck. When the Government requires a delivery by barge, the Government will issue a TDL to that effect. Barge deliveries will be required only within the ports and zones listed below. In the event that a delivery of lubricants is cancelled in less than 72 hours from the time of a scheduled delivery in a named port or in less than 5 working days in a non-listed port within the Geographic Zone, the Contractor shall be reimbursed for restocking of the bulk and drum products only.

Return of Empty Drums:

When so directed by TDL, the Contractor shall remove empty drums furnished by the Contractor under that or earlier TDLs. Drum removal shall be coordinated during the workweek; however, the Government

reserves the right to order drum removal during holidays and weekends. An empty drum shall be defined as an approximate 200-liter container in which there is no more than 1 inch of residual product.

Disposal of Used Oil and Waste Oil:

An estimated twenty-five percent of the oil and hydraulic fluid provided under this contract will be returned as used or waste oil to the locations listed below. The Government will issue TDLs to the Contractor for removal of used oil and waste oil as defined as below:

Used Oil – Any used lubricant either mineral or synthetic containing less than 5 percent water and less than 1000 PPM of CFC.

Waste Oil – Any used lubricant either mineral or synthetic containing more than 5 percent water and less than 1000 PPM of CFC. For purposes of this Contract, the Government considers “Waste Oil” and “Oily Waste” to be synonymous.

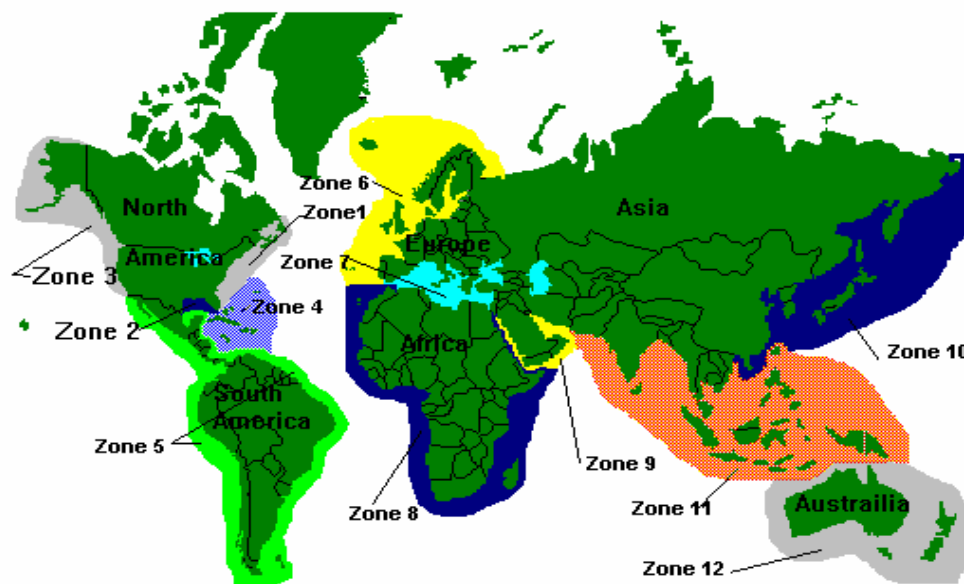
Service Calls and Training:

The Contractor shall perform initial, periodic and emergency service calls, which will be requested in technical direction letters (TDLs). The purpose of these visits will be to conduct shipboard training and validation of the onboard lube chart. The following shall be the minimum tasks performed during a periodic service call:

1. Review the most current lube chart with the Chief Engineer or his designated representative.
2. Provide the ship with corrections to the onboard ship lubricant data sheets or Material Safety Data Sheets (MSDS).
3. Review contract products and services with the Chief Engineer or his designated representative.
4. Ensure ship is operating lube oil purifiers at the correct temperature for purifying the Contractor’s lubricant.

Ports for Oil Delivery:

The following table divides the world into twelve zones and identifies the minimum ports within those zones. Ports listed by name are not considered to be part of the Geographic Zone they are located in. Deliveries to listed ports must be made within three working days of receipt of a delivery order. Delivery to any port not listed by name below, but within a Geographic Zone, must be made within ten business days of receipt of a delivery order. The zones are defined as follows:



Ports and Zones

Earle, NJ	Zone 6, Northern Europe
Boston, MA	Haifa, Israel
Baltimore, MD	St Theodore, Greece
Norfolk, VA	Piraeus, Greece
Charleston, SC	Rota, SP
Port Canaveral, FL	Zone 7, Mediterranean
Port Everglades, FL	Capetown, South Africa
Zone 1 East Coast, US	Port Said, Egypt
New Orleans, LA	Port Suez, Egypt
Beaumont, TX	Zone 8 Africa
Zone 2 Gulf Coast, US	Bahrain
San Diego, CA	Dubai, UAE
Oakland, CA	Jebel Ali, UAE
Portland, OR	Fujairah, UAE
Seattle, WA	Zone 9, Middle East
Honolulu, HI	Guam (Apra Harbor)
Zone 3, West Coast, US	Yokohama, JP
Roosevelt Roads, Puerto Rico	Yokosuka, JP
Balboa, Panama	Zone 10, Far East
Rodman, Panama	Singapore, RS
Cristobal, Panama	Zone 11, South East Asia
Freeport, Bahamas	Freemantle, AS
Zone 4 Caribbean Islands	Zone 12, Australia and New Zealand
Zone 5 Central and South America, Mexico	
Bremerhaven, Germany	
Glasgow, UK	
Portsmouth, UK	

- Zone 1, East Coast U.S.: This zone covers all ports from the east coast of Canada, through and including Key West, FL.
- Zone 2, Gulf Coast U.S.: This Zone covers all ports from (but not including) Key West, FL, through Texas.
- Zone 3, West Coast U.S.: This Zone covers all ports from Southern California, through the Alaska (including the West Coast of Canada).
- Zone 4, Caribbean Islands: This Zone covers all ports in the Caribbean Sea and includes Bermuda.
- Zone 5, Central and South America and Mexico: This Zone covers all ports in South and Central America, and includes Mexico.
- Zone 6, Northern Europe: This Zone covers all ports from Portugal, through Scandinavia, and includes Britain, Iceland, the Azores Islands, and the West Coast of the former Soviet Union.
- Zone 7, Mediterranean Sea: This Zone covers all ports from the Southern Coast of Spain, through the Northern Coast of Africa to (but not including) Morocco, and extends to the Black Sea and the Suez Canal and includes Souda Bay, Greece.
- Zone 8, East and West Africa: This Zone covers all ports from Port Suez around Africa to Morocco, and including the Canary Islands.
- Zone 9, Middle East: This Zone covers all ports on the East Coast of the Red Sea, in the Persian Gulf, the Gulf of Aden.

- Zone 10, Far East: This Zone covers all ports from the West Coast of the former Soviet Union, through the Southern ports in China, including Korea, Japan, Taiwan, Pacific Islands, Philippines, and Hong Kong.
- Zone 11, South East Asia: This Zone covers all ports from Vietnam through Pakistan, including all Indian Ocean Islands.
- Zone 12, Australia and New Zealand: This Zone covers all ports in Australia and New Zealand.

Ports with Barge Delivery Availability:

NORFOLK, VA	YOKOSUKA, JP
CHARLESTON SC	YOKOHAMA, JP
NEW ORLEANS, LA	SINGAPORE, RS
SAN DIEGO, CA	
ROTA, SP	
FUJAIRAH	

Ports for Waste Oil and Used Oil Removal:

The below table lists all ports MSC will be requiring oil removal services.

Disposal of Used Oil By Truck	
Earle, NJ	Disposal of Used Oil
Baltimore, MD	Disposal of Used Oil
Norfolk, VA	Disposal of Used Oil
Charleston, SC	Disposal of Used Oil
Jacksonville, FL	Disposal of Used Oil
Port Canaveral, FL	Disposal of Used Oil
New Orleans, LA	Disposal of Used Oil
San Diego, CA	Disposal of Used Oil
Portland, OR	Disposal of Used Oil
Puget Sound, WA	Disposal of Used Oil
Honolulu, HI	Disposal of Used Oil
Guam	Disposal of Used Oil
Singapore	Disposal of Used Oil
Fujairah, UAE	Disposal of Used Oil
Dubai, UAE	Disposal of Used Oil
Augusta Bay, IT	Disposal of Used Oil
Souda Bay, GR	Disposal of Used Oil
Beaumont TX	Disposal of Used Oil

Disposal of Waste Oil by Truck	
Earle, NJ	Disposal of Waste Oil
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Norfolk, VA	Disposal of Waste Oil
Charleston, SC	Disposal of Waste Oil
Jacksonville, FL	Disposal of Waste Oil
Port Canaveral, FL	Disposal of Waste Oil
New Orleans, LA	Disposal of Waste Oil
San Diego, CA	Disposal of Waste Oil
Portland, OR	Disposal of Waste Oil
Puget Sound, WA	Disposal of Waste Oil
Honolulu, HI	Disposal of Waste Oil

Guam	Disposal of Waste Oil
Singapore	Disposal of Waste Oil
Fujariah, UAE	Disposal of Waste Oil
Dubai, UAE	Disposal of Waste Oil
Augusta Bay, IT	Disposal of Waste Oil
Souda Bay, Greece	Disposal of Waste Oil
Beaumont TX	Disposal of Waste Oil

Regions for Waste Oil Removal by Truck:

U.S. East Coast	Disposal of Waste Oil
U.S. West Coast	Disposal of Waste Oil
U.S. Gulf Coast	Disposal of Waste Oil

Ports for Disposal of Used and Waste Oil Removal by Barge:

Disposal of Used and Waste Oil by Barge	
Norfolk, VA	Disposal of Used and Waste Oil less than 75,700 liters
Charleston, SC	Disposal of Used and Waste Oil less than 75,700 liters
New Orleans, LA	Disposal of Used and Waste Oil less than 75,700 liters
San Diego, CA	Disposal of Used and Waste Oil less than 75,700 liters
Singapore	Disposal of Used and Waste Oil less than 75,700 liters
Fujairah	Disposal of Used and Waste Oil less than 75,700 liters
Fujairah	Disposal of Used and Waste Oil over 75,700 liters

Notes:

Only products and services listed above are available and must be procured through this contract. It is our intent to make available to our shipboard and ashore personnel the scope and limitations of this lube oil supply contract with Shell Marine. In addition, we would like to obtain feedback, comments, and suggestions for improving the delivery of lube oil products and services to our fleet. There are pending proposals to add new products and ports to meet the demanding lube oil requirements of our ships. If there is a need to include Shell or non-Shell lubricants not presently available in this contract or if you have technical inquiries with regards to Shell Marine lube products, send requests directly to edgardo.guevara@navy.mil or contact at 202-685-5730 (Commercial) or 325-5730 (DSN). For ordering lubricants and services, please use the updated Shell Marine order form for your convenience provided separately.